

Regular Session, 2009

HOUSE BILL NO. 879

BY REPRESENTATIVES TUCKER, CONNICK, LEGER, AND PETERSON

APPROPRIATIONS/SUPPLEML: Supplemental appropriations for the 2008-2009 Fiscal  
Year regarding Medical Vendor Payments

1 AN ACT

2 To appropriate funds and to make certain changes in appropriations from certain sources and  
3 purposes in specific amounts for the making of supplemental appropriations for  
4 Fiscal Year 2008-2009; to provide for an effective date; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. The commissioner of administration is hereby authorized and directed to  
8 adjust for the following agencies in the specified amounts for Fiscal Year 2008-2009:

9 HEALTH AND HOSPITALS

10 09-306 MEDICAL VENDOR PAYMENTS

11 EXPENDITURES:

12 Uncompensated Care Costs Program  
13 for supplemental hospital payments to  
14 non-rural community hospitals located  
15 outside the New Orleans and Lake Charles  
16 Metropolitan Statistical Areas (MSA) \$ 17,000,000

17 TOTAL EXPENDITURES \$ 17,000,000

18 MEANS OF FINANCE:

19 State General Fund by:

20 Statutory Dedications:  
21 Louisiana Medical Assistance Trust Fund \$ 4,877,300  
22 Federal Funds \$ 12,122,700

23 TOTAL MEANS OF FINANCING \$ 17,000,000

24 Provided, however, that any funding not distributed pursuant to the methodology for non-  
25 rural community hospitals Uncompensated Care Costs established in Act 19 of the 2008  
26 Regular Session shall be reallocated and a supplemental distribution of uncompensated care  
27 payments made to non-rural community hospitals located outside the New Orleans and Lake

Charles Metropolitan Statistical Areas (MSA). The supplemental uncompensated care cost payments shall be calculated based on the methodology used for payments to hospitals located in the New Orleans and Lake Charles Metropolitan Statistical Areas (MSA) as originally approved. In the event that total supplemental payments calculated for all recipient hospitals exceed the total amount appropriated for such purpose, the secretary shall reduce payments on a pro rata basis to achieve a total cost that is not in excess of the amounts appropriated.

**EXPENDITURES:**

Uncompensated Care Costs Program  
for payments to rural hospitals

\$ 7,895,000

**TOTAL EXPENDITURES** \$ 7,895,000**MEANS OF FINANCE:**

State General Fund by:

Statutory Dedications:

Louisiana Medical Assistance Trust Fund

\$ 2,265,075

Federal Funds

\$ 5,629,925

**TOTAL MEANS OF FINANCING** \$ 7,895,000

The secretary of the Department of Health and Hospitals shall determine the distribution of funds to qualifying hospitals based on cost information provided to the department.

**EXPENDITURES:**

Medicaid funding to be paid to hospitals identified in the July 17, 2008 United State Government Accountability Office report that have demonstrated substantial financial and operational challenges in the aftermath of Hurricane Katrina

\$ 170,000,000

**TOTAL EXPENDITURES** \$ 170,000,000**MEANS OF FINANCE:**

State General Fund by:

Statutory Dedications:

Louisiana Medical Assistance Trust Fund

\$ 33,983,000

Federal Funds

\$ 136,017,000

**TOTAL MEANS OF FINANCING** \$ 170,000,000

The secretary of the Department of Health and Hospitals shall determine the allocation and distribution of funds.

**EXPENDITURES:**

Medicaid funding to be paid to hospitals identified by the secretary of the Department of Health and Hospitals as having demonstrated substantial financial and operational challenges in the aftermath of Hurricanes Katrina and Rita in 2005 and Hurricanes Gustav and Ike in 2008

\$ 18,000,000

**TOTAL EXPENDITURES** \$ 18,000,000

1	MEANS OF FINANCE:	
2	State General Fund by:	
3	Statutory Dedications:	
4	Louisiana Medical Assistance Trust Fund	\$ 3,598,200
5	Federal Funds	\$ 14,401,800
6	TOTAL MEANS OF FINANCING	<u>\$ 18,000,000</u>

7 The secretary of the Department of Health and Hospitals shall determine the allocation and  
8 distribution of funds.

9 Section 2. The secretary of the Department of Health and Hospitals shall promulgate  
10 the necessary rules and state plan changes to carry out the above amendments. State general  
11 funds appropriated from the Medical Assistance Trust Fund shall be refunded to the Medical  
12 Assistance Trust Fund by the department as directed in House Bill No. 1 of the 2009 Regular  
13 Session of the Legislature.

14 Section 3. This Act shall become effective upon signature by the governor or, if not  
15 signed by the governor, upon expiration of the time for bills to become law without signature  
16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
17 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
18 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Tucker

HB No. 879

Appropriates for FY 2008-2009, \$17,000,000 (\$4,877,300 from the La. Medical Assistance Trust Fund and \$12,122,700 from federal funds) for uncompensated care costs of non-rural community hospitals located outside of New Orleans and Lake Charles using the same methodology as was originally used for hospitals in New Orleans and Lake Charles.

Appropriates for FY 2008-2009, \$7,895,000 (\$2,265,075 from the La. Medical Assistance Trust Fund and \$5,629,925 from federal funds) for uncompensated care cost payments to rural hospitals.

Appropriates for FY 2008-2009, \$170,000,000 (\$33,983,000 from the La. Medical Assistance Trust Fund and \$136,017,000 from federal funds) for medicaid payments to hospitals identified in the July 17, 2008, U.S. Government Accountability Office report that have demonstrated substantial financial and operational challenges in the aftermath of Hurricane Katrina.

Appropriates for FY 2008-2009, \$18,000,000 (\$3,598,200 from the La. Medical Assistance Trust Fund and \$14,401,800 from federal funds) for medicaid payments to hospitals identified by the secretary of the Dept. of Health and Hospitals as having demonstrated substantial financial and operational challenges in the aftermath of Hurricanes Katrina, Rita, Gustav, and Ike.

Requires the Dept. of Health and Hospitals to promulgate the necessary rules and state plan changes and requires that state general funds appropriated from the Medical Assistance Trust Fund (MATF) will be refunded to the MATF.

Effective upon signature of governor or lapse of time for gubernatorial action.